

State Government Debt Summary Information for Interim Project Report 2000-05

November, 1999

Prepared for
The Florida Senate

by
Committee on Budget

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Acknowledgments

All summary information on bond programs, and information relating to bond history and bonds outstanding is based on information provided by the Division of Bond Finance.

All historical revenue receipt information included is based on information provided by the Legislative Office of Economic and Demographic Research.

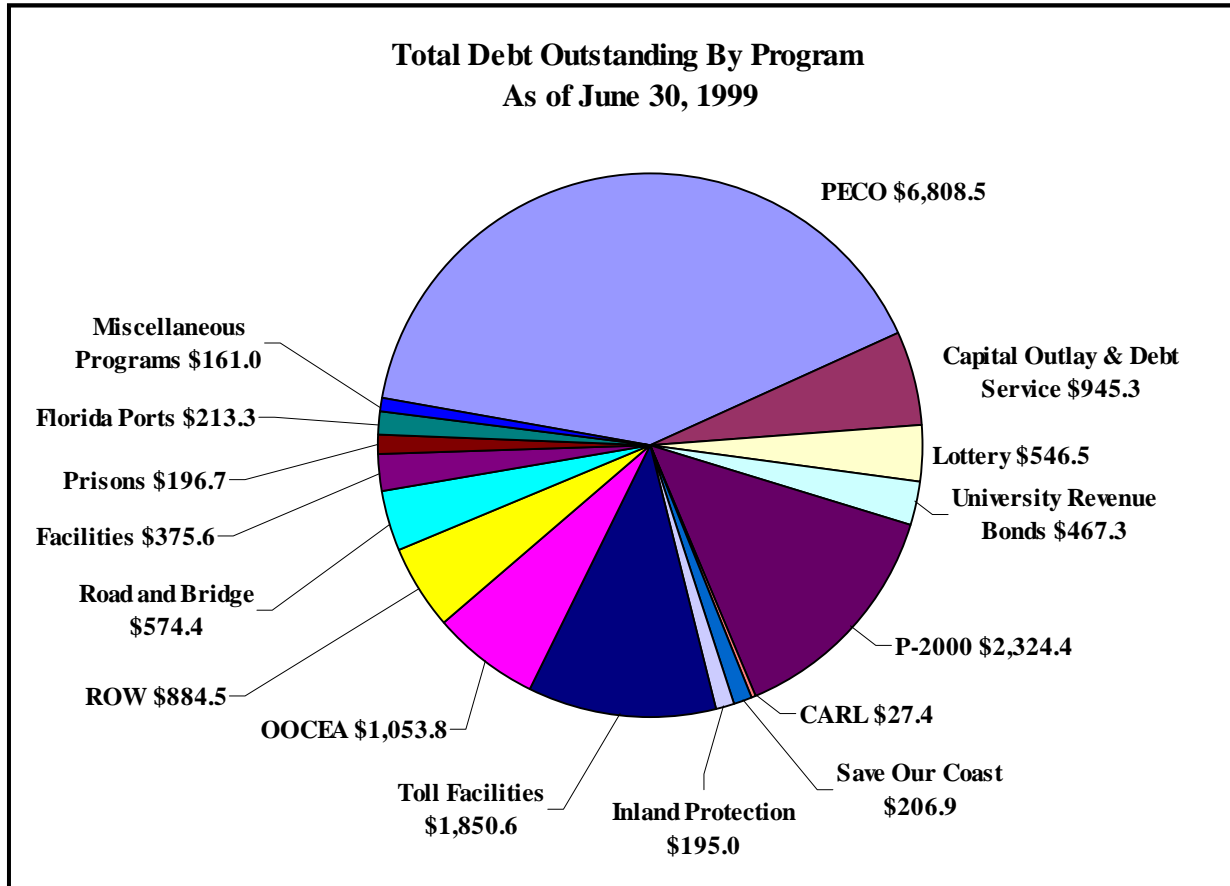


Figure 1. Total Debt Outstanding by Program As of June 30, 1999

State of Florida
Bonds Outstanding By Program
As of June 30, 1999
(In Million Dollars)

	<u>Dollar Amount</u>	<u>% of Total</u>
Education		
Public Education Capital Outlay	\$ 6,808.5	
Capital Outlay & Debt Service	945.3	
Lottery	546.5	
University Revenue Bonds	<u>467.3</u>	
Total Education	\$ 8,767.5	53.9%
Environmental		
Preservation 2000	2,324.4	
Conservation and Recreation	27.4	
Save Our Coast	206.9	
Inland Protection (Tanks)	195.0	
Pollution Control	<u>2.0</u>	
Total Environmental	2,755.6	17.0%
Transportation		
Toll Facilities	1,850.6	
Orlando-Orange County Expressway Authority	1,053.8	
Right-of-Way and Bridge Acquisition	884.5	
Road and Bridge	574.4	
Florida Ports	<u>213.3</u>	
Total Transportation	4,576.5	28.2%
Appropriated Debt / Other		
Facilities	375.6	
Master Equipment Lease	23.1	
Prisons	196.7	
Juvenile Justice	20.0	
Children & Families	38.0	
Investment Fraud	8.9	
Affordable Housing	<u>69.0</u>	
Total Appropriated Debt	<u>731.3</u>	4.5%
Total Debt Outstanding	<u>\$16,831.0</u>	

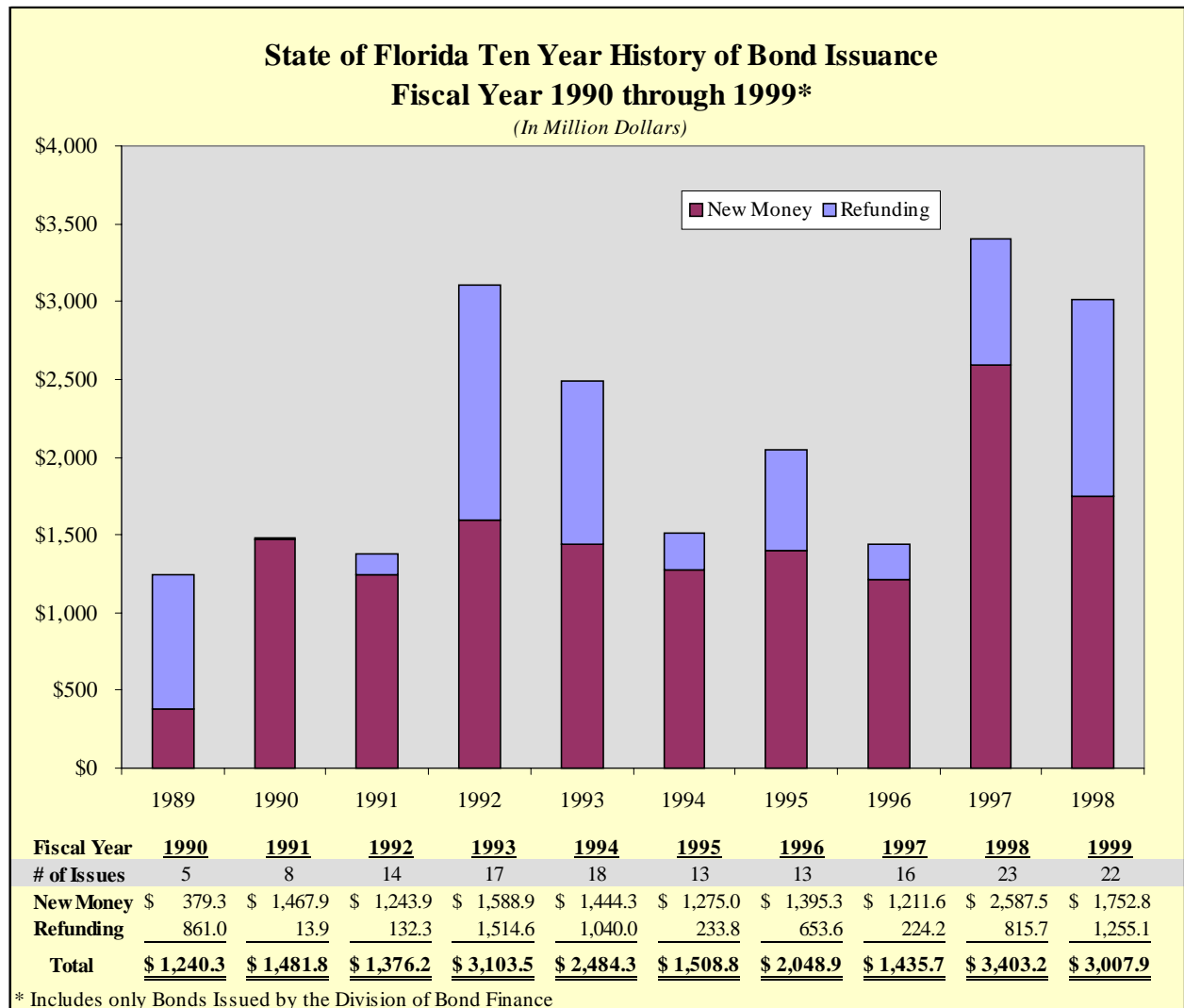


Figure 3. State of Florida Ten Year History of Bond Issuance FY 1990 through 1999

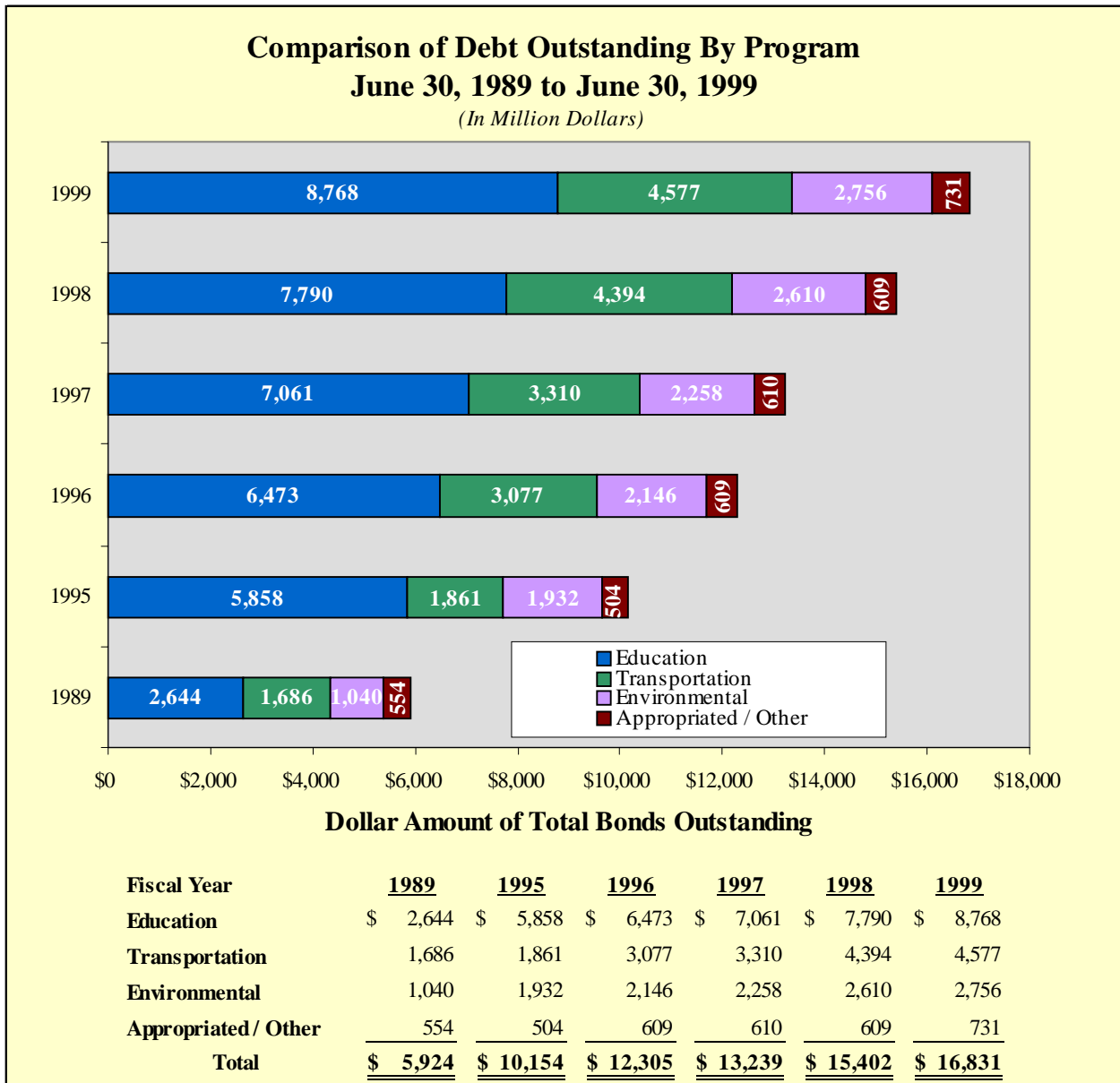


Figure 4. Comparison of Debt Outstanding By Program, June 30, 1989 to June 30, 1999

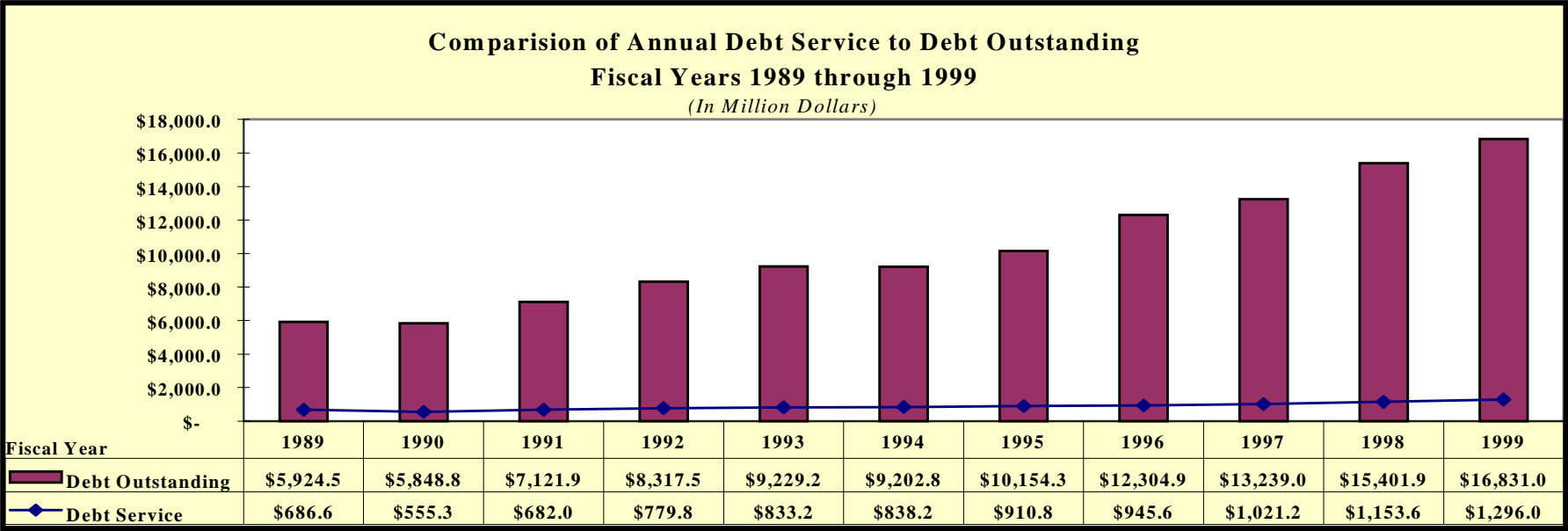


Figure 5. Comparison of Annual Debt Service to Debt Outstanding, FY 1989 through

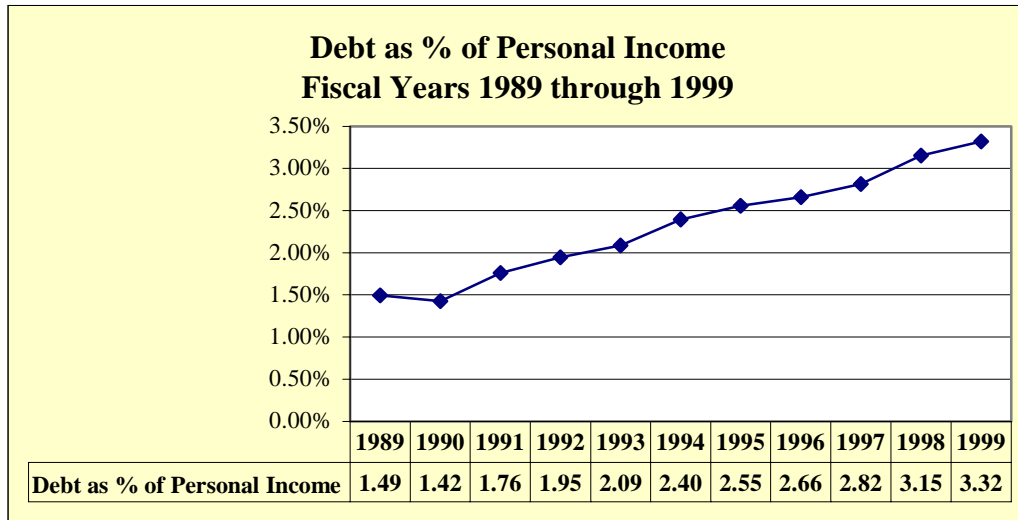


Figure 6. Debt as % of Personal Income, Fiscal Year's 1989 - 1999

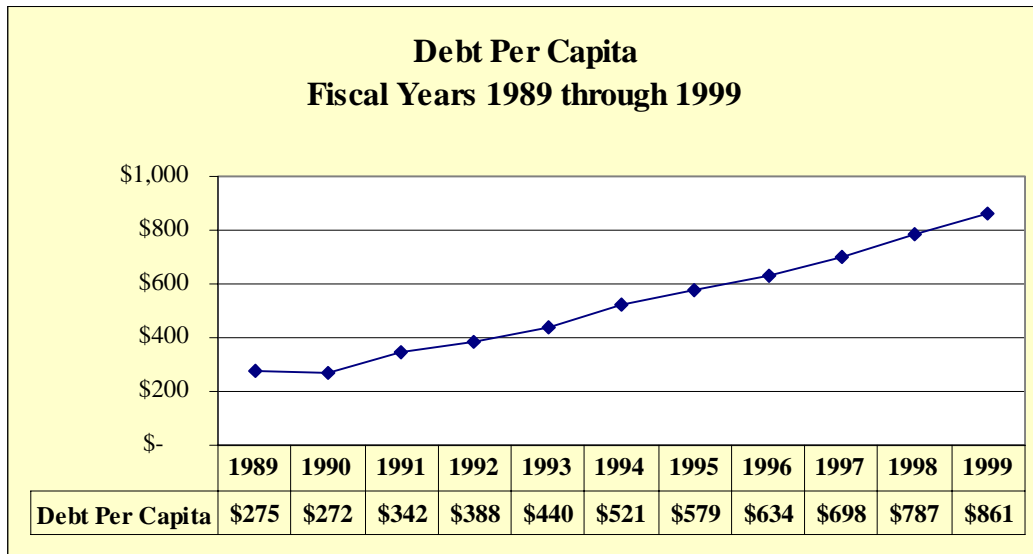


Figure 7. Debt Per Capita, Fiscal Years 1989 - 1999

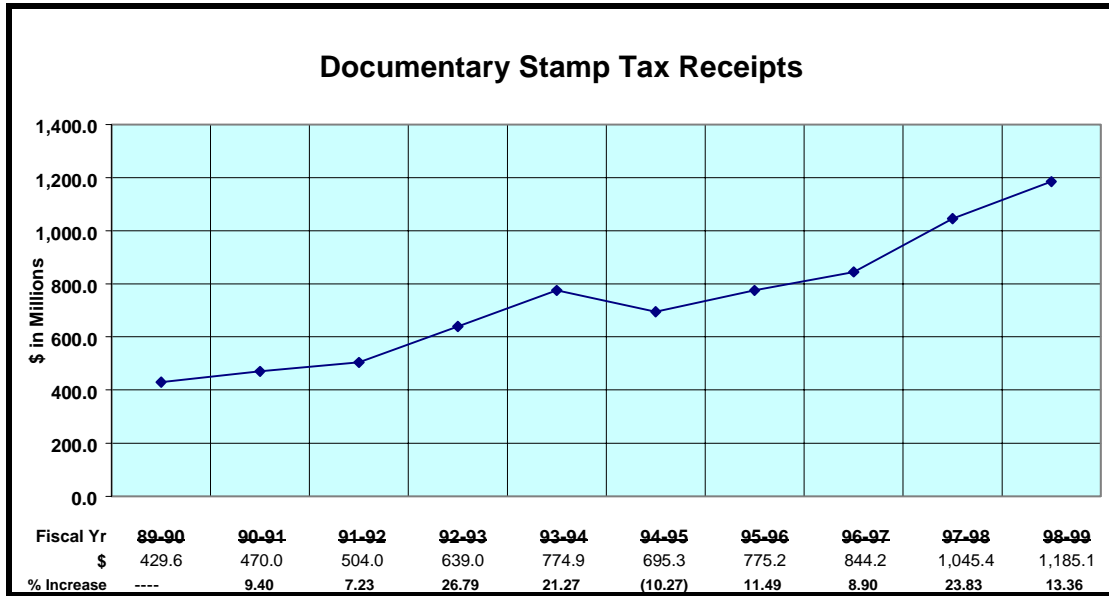


Figure 8. Documentary Stamp Tax Receipts

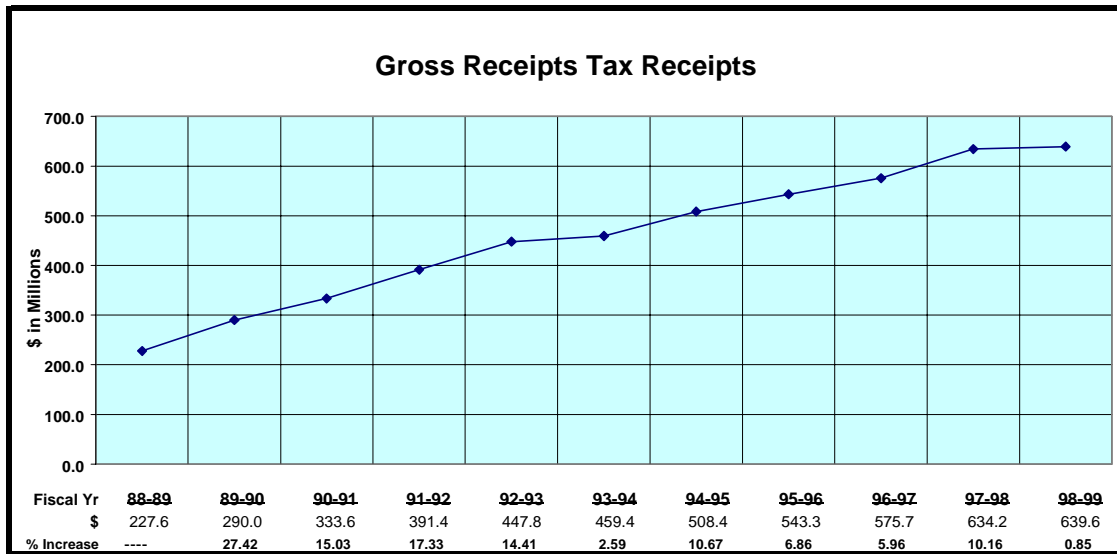


Figure 9. Gross Receipts Tax Receipts

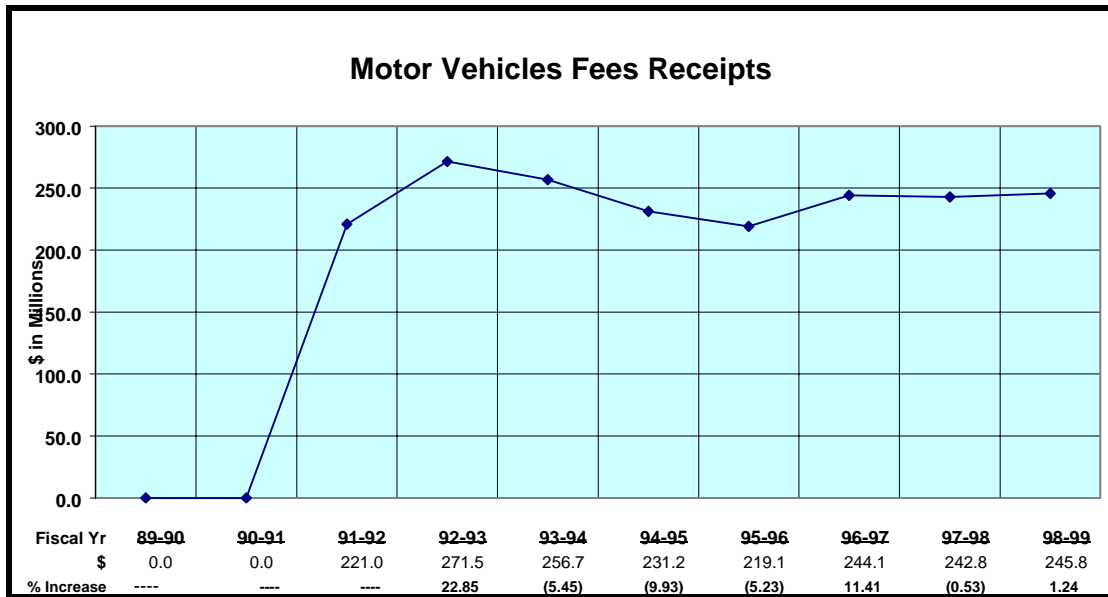


Figure 10. Motor Vehicles Fees Receipts

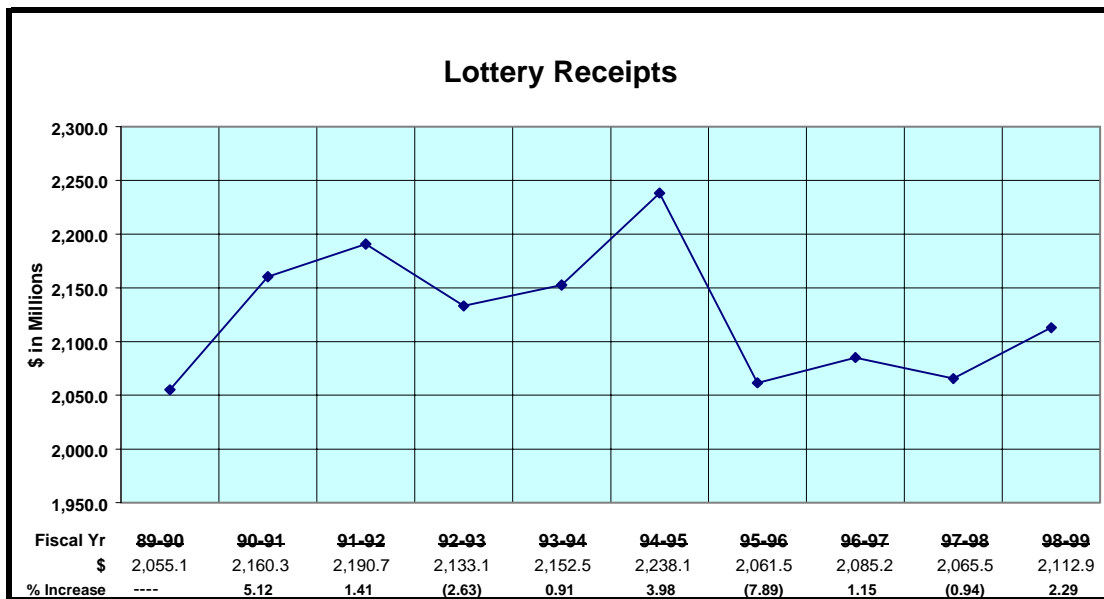


Figure 11. Lottery Receipts

STATE OF FLORIDA FULL FAITH AND CREDIT
STATE BOARD OF EDUCATION
PUBLIC EDUCATION CAPITAL OUTLAY BONDS (PECO)

Agency:	State Board of Education.	
Purpose:	The bonds are issued for the purpose of financing capital outlay projects for the state system of public education (kindergarten to universities and vocational-technical centers) which are approved by the Florida Legislature. Such projects generally include classroom buildings, laboratories, parking garages, heating and cooling equipment, and major remodeling and roof replacement.	
Security:	<p><i>Pledged Revenues-</i></p> <p>The bonds are payable primarily from gross receipts taxes on telecommunications and utilities. One hundred percent of such taxes are distributed to the State Board of Education, which may use the funds for debt service or directly for the payment of approved projects. The bonds are also secured by the full faith and credit of the State of Florida.</p> <p><i>Debt Service Reserve Fund-</i></p> <p>No debt service reserve fund is required for public education capital outlay bonds.</p>	
Frequency:	There are usually two or three new money issues a year, depending upon the amount of the legislative appropriation and the construction schedules of the various projects approved by the legislature.	
Bond Ratings:	Moody's	Aa2
	Standard & Poor's	AA+
	Fitch IBCA	AA

STATE OF FLORIDA FULL FAITH AND CREDIT
STATE BOARD OF EDUCATION
CAPITAL OUTLAY BONDS (CO & DS)

Agency:	State Board of Education (on behalf of school and community college districts).	
Purpose:	The bonds are issued for the purpose of financing capital outlay projects for school and community college districts. Such projects generally include classrooms, laboratories, maintenance facilities and parking lots.	
Security:	<i>Pledged Revenues -</i> The bonds are payable primarily from the first revenues derived from the motor vehicle license taxes. Motor vehicle license taxes are levied annually for the operation of motor vehicles in Florida. One hundred percent of such taxes are available for debt service on capital outlay bonds, if needed; distribution of motor vehicle license tax revenues to the districts is based on a student enrollment formula established by law. The bonds are also secured by the full faith and credit of the State of Florida. <i>Debt Service Reserve Fund -</i> No debt service reserve fund is required for capital outlay bonds.	
Frequency:	Each district decides for itself whether to participate in a particular bond sale. There has generally been one new money issue every year.	
Bond Ratings:	Moody's	Aa2
	Standard & Poor's	AA+
	Fitch IBCA	A

STATE OF FLORIDA
STATE BOARD OF EDUCATION
LOTTERY REVENUE BONDS

Agency:	State Board of Education	
Purpose:	The bonds are issued for the purpose of financing the cost of constructing, acquiring, remodeling, renovating and making major repairs to permanent classroom and other educational facilities in various school districts throughout the State of Florida. This financing program is expected to provide up to \$2.5 billion in financing for educational facilities for Florida public schools to relieve classroom overcrowding.	
Security:	<i>Pledged Revenues -</i> The bonds are payable from the first lottery revenues deposited into the Educational Enhancement Trust Fund in an amount currently limited to \$180 million in each fiscal year. Pursuant to Section 24.121(2), Florida Statutes, in each fiscal year at least 38% of the gross revenue from the sale of lottery tickets and other earned revenue excluding application processing fees (fees paid by lottery ticket retailers), is required to be deposited into the Educational Enhancement Trust Fund. <i>Debt Service Reserve Fund -</i> The bonds are also secured by a reserve account in an amount equal to the maximum annual debt service on the bonds. The reserve account is funded with a debt service reserve account surety bond.	
Frequency:	Lottery Revenue Bonds are being issued periodically between 1998 and 2003 based on anticipated cash flow needs to fund construction.	
Bond Ratings:	Moody's	A3
	Standard & Poor's	A+
	Fitch IBCA	A

STATE OF FLORIDA
BOARD OF REGENTS
UNIVERSITY SYSTEM IMPROVEMENT
REVENUE BONDS

Agency: Board of Regents.

Purpose: The bonds are issued for the purpose of financing student-related capital projects which are part of the university system and are approved by the Florida Legislature. The projects are generally not directly related to academic activities but include facilities such as student activity centers, athletic facilities, and health facilities.

Security: *Pledged Revenues -*

The bonds are payable from capital improvement fees and net student building fees which are assessed on a per credit hour basis and are paid by each student in the university system. Net student building fees consist of student building fees reduced by debt service payments on certain previously issued bonds, which have an outstanding principal amount of less than \$3 million.

Debt Service Reserve Fund -

The bonds are also secured by a reserve account in an amount equal to the maximum annual debt service on the bonds. The reserve account is funded with a debt service reserve account surety bond.

Frequency: As capital needs dictate. Bonds are usually issued once every several years.

Bond Ratings:	Moody's	Aa3
	Standard & Poor's	AA-
	Fitch IBCA	AA-

STATE OF FLORIDA
BOARD OF REGENTS
UNIVERSITY AUXILIARY FACILITY
REVENUE BONDS

Agency: Board of Regents.

Purpose: The bonds are issued for the purpose of financing revenue-generating capital projects for various universities in the State university system. All projects are approved by the Florida Legislature prior to the issuance of the bonds. The projects financed include student housing, bookstores, and parking facilities.

Security: *Pledged Revenues -*

The bonds are typically payable from the net revenues of the project financed, or more frequently from the net revenues of the particular system of which the project is a part. For example, housing bonds would generally be secured by the net revenues of the housing system at the particular university.

Debt Service Reserve Fund -

The bonds are also secured by a reserve account which is generally funded in an amount equal to the maximum annual debt service on the bonds. The reserve accounts are generally funded with debt service reserve account surety bonds.

Frequency: Frequently, generally several times each year.

Bond Ratings: The bonds typically have no underlying ratings. The bonds are generally insured, resulting in AAA ratings.

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
PRESERVATION 2000 REVENUE BONDS

Agency:	Department of Environmental Protection.	
Purpose:	The bonds are issued for the purpose of paying the cost of acquisition of lands and related resources in furtherance of outdoor recreation and natural resources conservation in the State of Florida.	
Security:	<i>Pledged Revenues-</i> The bonds are payable from a portion of the revenues of the documentary stamp tax levied on the conveyance of real property, stocks, bonds, mortgages and other security agreements. Current law provides that 62.63% of the documentary stamp taxes are available to pay debt service on the bonds. <i>Debt Service Reserve Fund-</i> The bonds are additionally secured by a reserve account equal to the maximum annual debt service. The reserve fund is funded with cash.	
Frequency:	Annual issuance of approximately \$300 million per year through the year 2000 when the program is scheduled to end.	
Bond Ratings:	Moody's	A2
	Standard & Poor's	A
	Fitch	A
Successor Program:	The Florida Forever revenue bond program, similar in purpose and funding to the Preservation 2000 program, was enacted by the 1999 Legislature. To commence in fiscal year 2000-2001, Florida Forever bonds will be issued on a parity with the Preservation 2000 Bonds.	

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
SAVE OUR COAST REVENUE BONDS

Agency:	Department of Environmental Protection.	
Purpose:	The bonds are issued for the purpose of acquiring lands, water areas and related resources, and to construct, improve, enlarge and extend capital improvements thereon in furtherance of outdoor recreation, natural resource conservation and related purposes.	
Security:	<i>Pledged Revenues -</i> The bonds are primarily payable from 8.7% of the documentary stamp tax revenues levied on the conveyance of real property, stocks, bonds, mortgages and other security agreements. <i>Debt Service Reserve Fund -</i> The bonds are also secured by a reserve account in an amount equal to the maximum annual debt service on all bonds that are outstanding. The reserve account for all outstanding bonds is funded with cash.	
Frequency:	No additional bonds are expected to be issued for this program.	
Bond Ratings:	Moody's	A2
	Standard & Poor's	A
	Fitch	A

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
CONSERVATION AND RECREATION LANDS
REVENUE BONDS

Agency:	Department of Environmental Protection.	
Purpose:	The bonds were issued to acquire lands, water areas and related resources located within the State. These areas are to be used for outdoor recreation and natural resource conservation purposes.	
Security:	<i>Pledged Revenues -</i> The bonds are payable from a portion of the documentary stamp tax revenues levied on the conveyance of real property, stocks, bonds, mortgages and other security agreements. The bonds are also secured by a portion of the phosphate severance tax. <i>Debt Service Reserve Fund -</i> The bonds are also secured by a reserve account in an amount equal to the maximum annual debt service on the bonds. The reserve account is funded with cash.	
Frequency:	No additional bonds are expected to be issued for this program.	
Bond Ratings:	Moody's	A2
	Standard & Poor's	A
	Fitch	A

INLAND PROTECTION FINANCING CORPORATION

SPECIAL OBLIGATION BONDS

Agency:	Inland Protection Financing Corporation.	
Purpose:	The bonds are issued for the purpose of financing payment and settlement of obligations of the Department of Environmental Protection for the cleanup of contamination from leaking petroleum storage tanks.	
Security:	<i>Pledged Revenues-</i> The bonds are secured by a pledge of revenues received by the Inland Protection Financing Corporation under a service contract with the Department of Environmental Protection. The revenues payable under the service contract are derived primarily from an excise tax on petroleum products. All payments under the service contract are subject to annual appropriation and are not general obligations of the state or a pledge of the faith and credit or taxing power of the state. <i>Debt Service Reserve Fund-</i> No debt service reserve fund is required for the bonds.	
Frequency:	No additional issuance is planned.	
Bond Ratings:	Moody's	A2
	Standard & Poor's	A
	Fitch IBCA	A+

STATE OF FLORIDA FULL FAITH AND CREDIT POLLUTION CONTROL BONDS

Agency:	Department of Environmental Protection and local governments.	
Purpose:	The bonds are issued for the purpose of financing air and water pollution control facilities, solid waste disposal facilities, and water treatment facilities to be operated by local governments in Florida.	
Security:	<i>Pledged Revenues -</i> The bonds are payable from revenues of the facilities financed by the particular bond issue or revenues of the system of which the facility is a part, and occasionally by other legally available local revenues. The bonds are also secured by the full faith and credit of the State of Florida. <i>Debt Service Reserve Fund -</i> The reserve accounts are generally funded at a level equal to the maximum annual debt service on the bonds.	
Frequency:	As requested by local governments.	
Bond Ratings:	Moody's	Aa2
	Standard & Poor's	AA+

STATE OF FLORIDA
DEPARTMENT OF TRANSPORTATION
TURNPIKE REVENUE BONDS

Agency:	Department of Transportation.	
Purpose:	The bonds are issued for the purpose of financing the acquisition and construction of projects for Florida's turnpike system, including roadways, bridges, toll collection facilities, interchanges and related facilities approved by the Florida Legislature.	
Security:	<i>Pledged Revenues -</i> The bonds are secured solely by a pledge of and first lien on the net revenues of the turnpike system, which consist of gross revenues less the cost of operation and maintenance. In August 1997, the Department of Transportation executed a covenant which provides for the payment of costs of operation and maintenance from certain available moneys in the State Transportation Trust Fund which are not part of pledged revenues of the turnpike system. The State Transportation Trust Fund is funded by motor fuel taxes, motor vehicle license taxes, various other transportation-related taxes, fees and surcharges, federal aid, interest earnings and other miscellaneous revenues. <i>Debt Service Reserve Fund -</i> There is a debt service reserve requirement for all turnpike revenue bonds. The debt service reserve fund for all of the outstanding bonds is currently funded by a debt service reserve surety bond in an amount equal to the aggregate maximum annual debt service on all outstanding turnpike revenue bonds.	
Frequency:	There have been five series of turnpike revenue bonds issued since 1989, approximately one every two years. Future issues will depend upon the number of turnpike projects approved by the legislature.	
Bond Ratings:	Moody's	A1
	Standard & Poor's	A+
	Fitch	A+

STATE OF FLORIDA
DEPARTMENT OF TRANSPORTATION
ALLIGATOR ALLEY REVENUE BONDS

Agency:	Department of Transportation.	
Purpose:	The bonds are issued to finance capital improvements to Alligator Alley.	
Security:	<i>Pledged Revenues -</i> The bonds are payable from the revenue of Alligator Alley, after deducting administrative expenses and the cost of operating and maintaining Alligator Alley. <i>Debt Service Reserve Fund -</i> The bonds are secured by a reserve account in an amount equal to maximum annual debt service.	
Frequency:	Future new money issues are not expected.	
Bond Ratings:	Moody's	A3
	Standard & Poor's	A+
	Fitch	A

STATE OF FLORIDA
SUNSHINE SKYWAY REVENUE BONDS

Agency:	Department of Transportation.		
Purpose:	The bonds are issued for the purpose of financing or refinancing the construction and improvement of the Sunshine Skyway Bridge and related facilities.		
Security:	<i>Pledged Revenue -</i> The bonds are secured solely by a pledge of and first lien on the net revenues of the Sunshine Skyway Bridge, which consist of gross revenues less the cost of administrative expenses and the cost of operation and maintenance. <i>Debt Service Reserve Fund -</i> There is a debt service reserve requirement for all bonds. The debt service reserve fund for all of the outstanding bonds is currently funded in an amount equal to the aggregate maximum annual debt service on all outstanding bonds.		
Frequency:	Future new money issues are not expected.		
Bond Ratings:	Moody's		A
	Standard & Poor's		A

STATE OF FLORIDA FULL FAITH AND CREDIT
DEPARTMENT OF TRANSPORTATION
RIGHT-OF-WAY ACQUISITION AND BRIDGE
CONSTRUCTION BONDS

Agency:	Department of Transportation.	
Purpose:	The bonds are issued to finance the acquisition of right-of-way for state roads and to finance state bridge construction.	
Security:	<i>Pledged Revenues-</i> The bonds are payable primarily from certain motor fuel and diesel fuel taxes transferred to the State Transportation Trust Fund (the "STTF") subject to the deduction of certain legislatively imposed fees and charges. The bonds are additionally secured by the full faith and credit of the State of Florida. <i>Debt Service Reserve Fund-</i> The bonds are not secured by a debt service reserve fund.	
Frequency:	As capital needs dictate.	
Bond Ratings:	Moody's	Aa2
	Standard & Poor's	AA+
	Fitch	AA

STATE OF FLORIDA
TAMPA-HILLSBOROUGH EXPRESSWAY AUTHORITY
REVENUE BONDS

Agency:	Tampa-Hillsborough County Expressway Authority	
Purpose:	The bonds are issued to finance capital improvements to the Tampa-Hillsborough County Expressway System (the "Expressway System") consisting of the Lee Roy Selman Crosstown Expressway which is a toll road running between Gandy Boulevard in southwest Tampa north and east through downtown Tampa to an interchange with Interstate 75 just west of the Brandon area.	
Security:	<i>Pledged Revenues -</i> The bonds are payable from the revenues of the Expressway System after deducting administrative expenses. Operating and maintenance expenses are paid by the Department of Transportation and are reimbursed from revenues after the payment of debt service. <i>Debt Service Reserve Fund -</i> The bonds are secured by a reserve account in an amount equal to the maximum annual debt service on the bonds. A surety bond in the reserve account satisfies the debt service reserve requirement for all outstanding bonds.	
Frequency:	As the need for additional projects dictates.	
Bond Ratings:	Moody's	Baa1
	Standard & Poor's	A-
	Fitch	A-

STATE OF FLORIDA
ORLANDO-ORANGE COUNTY EXPRESSWAY
REVENUE BONDS

Agency: Orlando-Orange County Expressway Authority.

Purpose: The bonds are issued for the purpose of financing the acquisition and construction of projects for the Orlando-Orange County Expressway System, including tolled roads, bridges, avenues of access, appurtenances and additional rights of way or other improvements.

Security: *Pledged Revenues -*

The bonds are secured by a pledge of and lien on the net revenues of the Orlando-Orange County Expressway System, which consist of gross revenues less the cost of operation and maintenance and administrative expenses and a pledge of the county Interlocal Agreement Payments consisting of 80% of the second gas tax monies received by Orange County, Florida.

Debt Service Reserve Fund -

There are separate reserve accounts established for the senior lien bonds and the junior lien bonds each funded at the lesser of the aggregate maximum annual debt service or the maximum amount permitted by federal tax law.

Frequency: As capital needs dictate.

Bond Ratings:	<u>Senior Lien</u>	<u>Junior Lien</u>
Moody's	-	A3
Standard & Poor's	A	A-
Fitch	A	A

**STATE OF FLORIDA FULL FAITH AND CREDIT
JACKSONVILLE TRANSPORTATION
AUTHORITY BONDS**

Agency:	Jacksonville Transportation Authority	
Purpose:	The bonds are issued for the purpose of financing the acquisition and construction of roads in Duval County.	
Security:	<i>Pledged Revenues-</i> The bonds are primarily payable from a discretionary sales surtax in the amount of one-half of one percent on taxable sales within Duval County up to \$5,000. The bonds are additionally secured by 100% of the portion of a two cent gas tax (the "pledged gas tax") allocated to Duval County. The bonds are also secured by the full faith and credit of the State of Florida. <i>Debt Service Reserve Fund-</i> The bonds are also secured by a debt service reserve fund in the amount of 50% of the maximum annual debt service. The reserve fund is funded with cash.	
Frequency:	As capital needs dictate.	
Bond Ratings:	Moody's	Aa2
	Standard & Poor's	AA+
	Fitch	AA

STATE OF FLORIDA
FULL FAITH AND CREDIT COUNTY ROAD BONDS

Agency:	Department of Transportation and any county.	
Purpose:	The bonds are issued for the purpose of financing the construction of roads in any county requesting the issuance of the bonds.	
Security:	<p><i>Pledged Revenues-</i></p> <p>The bonds are payable from all or a portion of the county's share of a two cent per gallon tax levied on the sale of gasoline and other petroleum products. The bonds are frequently also secured by other revenue sources including local gasoline taxes or revenue produced by the projects which are financed. The bonds are also secured by the full faith and credit of the State of Florida.</p> <p><i>Debt Service Reserve Fund-</i></p> <p>The existence and size of the reserve accounts varies among the various bond issues. Generally the reserve accounts are funded at a level equal to the maximum annual debt service on the bonds.</p>	
Frequency:	As requested by counties.	
Bond Ratings:	Moody's	Aa2
	Standard & Poor's	AA+
	Fitch	AA

STATE OF FLORIDA DEPARTMENT OF MANAGEMENT SERVICES
DIVISION OF FACILITIES MANAGEMENT
FLORIDA FACILITIES POOL REVENUE BONDS

Agency:	Department of Management Services.	
Purpose:	The bonds are issued for the purpose of financing office buildings and similar facilities, to be leased to State agencies. All facilities built with bond proceeds become part of the Florida Facilities Pool along with certain other State-owned facilities.	
Security:	<i>Pledged Revenues -</i> The bonds are payable primarily from the pool pledged revenues, which consist of rental revenues derived from facilities in the Florida Facilities Pool. The availability of pool pledged revenues is dependent on annual legislative appropriations to agencies of the State for payment of rentals for facilities in the Florida Facilities Pool. <i>Debt Service Reserve -</i> The bonds are also secured by a reserve account in an amount equal to the maximum annual debt service. A surety bond in the debt service reserve fund satisfies the debt service reserve requirement for all outstanding bonds.	
Frequency:	As needed, but generally issued twice a year.	
Bond Ratings:	Moody's	A1
	Standard & Poor's	AA-
	Fitch	A+
